



**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING: June 28, 2007**

PHA Conference Room

100 Broad Street

Providence, RI 02903

CALL TO ORDER

Chairman Waldman called the meeting to order at 5:00 p.m.

ROLL CALL

The Executive Director called the roll:

Present

Paul Waldman
Barbara Fields
Dolores Cascella
Nicholas Narducci
Dorothy Waters
Hillary Silver
JT. Taylor
Robert Clarkin

Absent

Jaime Castillo (Excused)
Raymond Murphy (Excused)
John Iglizzi

Eight members were present, constituting a quorum.

RESIDENTS' COMMENTS

None.

APPROVAL OF MINUTES (May 24, 2007)

Chairman Waldman called for approval of the May 24th meeting minutes. Commissioner Silver moved approval of the minutes. Commissioner Clarkin seconded the motion. A vote was taken. There being no opposition, Chairman Waldman declared the minutes approved.

CHAIRMAN'S REPORT

Williams Woods Dedication

The Chairman stated that on June 7 the Williams-Woods development was dedicated. The site has 65 2- and 3-bedroom units. He stated that it was a well arranged and well attended event. Speakers included Mayor Cicilline, Chris Starr of Winn Development, and Executive Director Stephen O'Rourke. The dedication ended many years of planning and frustration, but the end result made it all worthwhile.

Thomas J. Anton Community Center

The dedication of the new community center was held on June 20th. Dr. Anton's name is on the Laurel Hill Avenue side of the building. At the event, Barbara Anton, Tom's wife, unveiled a plaque with Tom's image embossed on it. She also spoke briefly to express her thanks and to say that Tom would have enjoyed this day. Several other members of the Anton family attended. The speaking program consisted of: Chairman Waldman, Mayor Cicilline, former board member Ted Low and Executive Director Stephen O'Rourke. The event was a nice memorial to Dr. Thomas Anton. A luncheon reception followed the dedication.

Executive Director Evaluation Forms

The Chairman stated that most of the forms have been returned and the Commissioners will hold an executive session to review the evaluations at the next board meeting.

COMMITTEE REPORTS▪ Budget, Finance & Audit Committee

The committee reported on the transition to project based management, the budget review, the data processing system, and the year end closing. [See the attached report.]

▪ Asset Management/Capital Improvements Committee

The committee reported on the energy savings project, fire alarm system updates, the natural gas leak survey, projects at Carroll Tower, Hartford Park and Sr. Dominica Manor, the replacement of roof hatches at Dominica, Dexter, and Kilmartin, and the renewal of the elevator maintenance contract. [See the attached report.]

▪ Resident Services Committee

The committee reported on resident strategic planning training, safety activities, resident association participation, resident field trips, elections at Chad/Ad/Sun, and the responsibilities of the Special Projects Officer. The Sherwin-Williams Painter Training Program is scheduled to begin in July. There were an overwhelming number of applicant, and 26 were selected. Sherwin-Williams is providing two weeks of classroom and hands-on training, two meals a day, and \$10,000 of painting supplies. There will be a press conference at the completion of the program that the Mayor may attend. [See the attached report.]

Commissioner Silver asked for the status of the Food Stamp training for site staff. Mr. O'Rourke informed her that we are in contact with Jesse Capece, Food Stamp Outreach Project Supervisor at the URI Feinstein Center for a Hunger Free America, and will soon be scheduling training for staff to help them assist residents who are eligible for food stamps.

RESIDENT ASSOCIATION REPORT

The committee reported on activities at Hartford Park, Kilmartin Plaza, Parenti Villa, Carroll Towers, Dexter Manor, and Chad/Ad/Sun. Efforts are also continuing to find candidates for the inactive Tenant Associations at Roger Williams, Manton Heights, and Section 8. [See the attached report.]

EXECUTIVE DIRECTOR'S REPORTFurlough Day

Mr. O'Rourke informed the board that tomorrow, June 29th, is the final furlough day for PHA employees for this fiscal year. The five unpaid days were one of the cost-cutting measures that were necessary to balance this year's under funded annual operating budget.

Thank-you note from Barbara Anton

The Executive Director received a thank-you note from Mrs. Anton describing her family's appreciation for the community center dedication ceremony on June 20th.

Attention to Articles in Board Packet

Each month one or more articles related to public housing will be included in each Commissioner's packet in order to provide Commissioners with information on housing issues. This month's packet includes the following:

- The Providence Journal article and photo about the Thomas J. Anton Community Center dedication.
- The NERC/NAHRO (New England Regional Council/National Association of Housing and Redevelopment Officials) Regional Awards of Excellence list of all the awards given out. The PHA received 7 of the 18 awards, including plaques.

- CLPHA (Counsel of Large Public Housing Authorities) Weekly Report, shows that even at the last minute when the conversion to asset management is due next week, they are still calling for substantial changes and congress is haranguing HUD about it.
- Testimony of Sandra B. Henriquez, Administrator and CEO, Boston Housing Authority before the U.S. Senate Subcommittee on Housing, Transportation, and Community Development. Executive Director Stephen O'Rourke generally agrees with her testimony supporting the Hope VI Program as being very effective, although it does take away from some of the smaller housing authorities.
- A copy of the *Journal of Housing & Community Development* that contains an article about the Housing America 2007 events held nationwide. Two photos of the PHA media event are featured.

Monthly Management Report Highlights

Monthly Management Reports were distributed. Occupancy is up, collections are up, and work orders completion rates are over 90% completed on a monthly basis.. The Executive Director invited Board members to review this report and contact him with any questions. [See the report for details.]

The Monthly Management Report will change dramatically under the restructuring. There will no longer be a Department of Housing Management, or a Department of Facilities Management. However, all of the information that is recorded in the reports now will be in the new reports, but they will be reported by development.

Moodys Management Quality Rating Award

The Executive Director informed the board that six years ago we engaged Moody's Investor's Service to conduct a thorough review of the PHA's operations, which included the housing portfolio, finances, management operations, and planning operations. At that time we were given the highest Management Quality Rating, MQ-1, that they award. Recently, Moody's conducted an update of the report by spending several days here, requesting additional information via email, and touring our facilities. As a result, they have informally announced that we are, again, receiving the MQ-1 rating. A formal announcement with their written report will be received sometime in July or August. We intend to use the report as a public relations tool for promoting the PHA.

Canonchet Cliffs Bond (2nd Resolution)

Mr. O'Rourke explained to the board that we were approached a little over a year ago by a developer who wanted to refinance a private development of affordable housing in Hopkinton, RI. Our jurisdiction is Providence, but because there is no housing authority in Hopkinton, we are allowed to go outside our jurisdiction when the local governing body approves. The town of Hopkinton passed a resolution allowing us to conduct the refinancing. We have been working on this project all year. It is a \$6.0 million bond from which we will earned a \$60,000 fee recorded in this fiscal year's budget. The PHA carries no direct liability for this bond transaction, and we have no reporting requirements.

We were hoping to pass a resolution this evening, but Bond Counsel Dan Waugh, with Moses, Alfonso & Jackvony Ltd., and Sherry Goldin of Goldin and Tutelo, who represents the PHA, are advising us to postpone the vote. We are required to send a copy of our Board of Commissioners' meeting notice, and the agenda, to the Secretary or State's Open Meetings website. Unfortunately we were unaware that the full agenda needed to be posted and we have only posted the meeting notice. Bond Counsel Dan Waugh thinks that is not adequate and recommends that we postpone the vote until the next meeting or schedule a special meeting. Attorney Goldin agreed. Dan Waugh also noted that the resolution is vague about whether the bonds will be sold by public sale or private sale, because there is a bill that has passed the legislature and is pending before the Governor which would remove the public sale requirements for advertising the bond sale in two or three local newspapers. The Governor is expected to make a decision about the bill by next Tuesday. There is the possibility that the board can pass the resolution after the bill has been signed by the governor, and save the \$2,000 cost of advertising.

Commissioner Silver asked about other fees related to the bond. The Executive Director informed her that there are many fees when issuing a bond, including bond counsel, issuing agent, rating agency etc. He informed her, however, that the PHA does not pay them. It is the developer's cost.

FY 2008 Annual Operating Budget Presentation

HUD requires housing authorities to have an approved operating budget by the end of the fiscal year, but they have not given us all the data we need to complete the formulas. Therefore, the budget presented this evening is an interim budget. There will be a resolution and a vote tonight, to fulfill the HUD requirements, and there will be a detailed budget presentation at the next meeting when the final budget is complete.

This year's budget is in a different format from previous year's when we presented one comprehensive budget. Now, budgets have to be prepared for each development and for Central Office Costs Center. This new method is to comply with the new HUD Asset Based Management System. The line items are the same as the previous budget document, except you now have costs for each development. The 14 developments have been consolidated into 9 AMPs (Asset Management Projects).

The annual operating budget is prepared based on certain assumptions. For instance, dwelling rents are based on the rent rolls for April and adjusted for inflation. Other assumptions affecting income are based on information provided by HUD, or past income. The Operating Subsidy had been prorated to 92.5% based on HUD's suggestion. Central Office Cost Center costs are based on fees charged to each site. These fee rates are established by HUD. Expenses are based on known quantities, such as salaries and benefits and other fixed costs. Other expenses, such as materials, supplies, equipment are based on historical trends.

Some of the numbers will change in the final budget, but not by much. For the first year the budget funds are fungible, meaning we can move funds around the different developments. After the first year, HUD expects each site to have a solid budget. Those sites not earning enough income will have to be considered non-performing and sold off or made viable.

We have been restructuring organization to comply with asset based management.

RESOLUTION(S)

Resolution #4147

This resolution was tabled at the suggestion of bond counsel. It will be taken up at the next regular or special meeting.

Resolution 4148:

Resolution 4148 asks the Board of Commissioners to approve the Housing Authority's FY 2008 Annual Operating Budget. Commissioner Fields moved approval with Commissioner Narducci seconding the motion. After some discussion a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

Recreation Center Bus

Councilman Narducci stated he received a copy of a letter sent by the Resident Advisory Board to the city's Recreation Director requesting the use of a city bus more often for field trips. He stated that Frank Santos, the Recreation Director, mentioned that he needs more than just a few days notice to supply

a bus, and that there need to be more than 5-8 people riding the bus to make the trip worthwhile. The Executive Director recommended that Frank send a letter to Commissioner Taylor, President of the Resident Advisory Board, to explain what he needs, and that the resident associations will comply.

Councilman Narducci asked about the fees charged to residents at Chad Brown (and all developments) for the installation of air conditioners. The Executive Director explained that there is a \$15 installation fee to insure that the air conditioners are installed safely and securely by the PHA maintenance staff, because in the past some that were improperly installed had fallen out the windows endangering passersby. There is also a \$20 monthly fee to cover "excess utility costs." Commissioners Taylor, Cascella and Waters expressed the need to ensure that air conditioners are installed properly.

Councilman Narducci also asked whether resident meeting notices at Chad Brown are posted in both English and Spanish. He was informed that they are. Commissioner Taylor stated that she regularly checks to make sure.

The Executive Director informed Commissioner Narducci that he will probably be contacted by residents concerning pools. Mr. O'Rourke stated that we no longer allow the use of pools by the tenants after the drowning of a child in 4 inches of water that occurred at a Pawtucket Housing Authority property two years ago. Our previous policy had been to allow pools as long as the children were supervised, but an inspection showed that many weren't. We do allow the responsible use of sprinklers. Councilman Narducci mentioned that he would like to raise funds next year to add a water park at Chad Brown.

ADJOURNMENT

There being no further business, Chairman Waldman accepted a motion to adjourn from Commissioner Clarkin which was seconded by Commissioner Taylor to adjourn the meeting at 6:00 p.m.

Submitted by:

Approved by:

Elizabeth Herosy
Recording Secretary

Stephen J. O'Rourke
Executive Director